

HOUSE BILL 8  
By Newton

AN ACT to amend Tennessee Code Annotated, Title 39;  
Title 47 and Title 67, relative to vending machines.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, is amended by adding the following language as a new part:

Section 47-18-5201.

This part shall be known and may be cited as the "Promotional Contests in Advertising Act".

Section 47-18-5202. A business may conduct a promotional contest in advertising, as defined in this part, in this state, or partially within this state, only if such contest includes the elements of prize and chance but excludes the element of consideration.

Section 47-18-5203.

(a) A promotional contest in advertising is a lawful business transaction, as that term is used in §39-17-501(1)(A), and consequently, a promotional contest in advertising is excluded from the definition of gambling, and a vending machine or like dispensing system used in the conducting of advertising and promotional undertakings, or any record related thereto, is not a gambling device or record, as those terms are used in Title 39, Chapter 17, Part 5.

(b) Promotional contests in advertising shall be conducted as advertising and promotional undertakings solely for the purpose of advertising or promoting the goods, wares, merchandise or other items of tangible personal property of a business.

Section 47-18-5204.

(a) No person eligible to receive a prize in a promotional contest in advertising

shall be required to pay any consideration to the promoter or operator of the business as the sole means of entry, and the promoter or sponsor shall provide an alternative method of entry requiring no consideration, other than furnishing a stamped, self-addressed envelope.

(b)

(1) As used in this part, "consideration" means anything of actual monetary value required to be paid to the promoter or sponsor in order to participate in a promotional contest in advertising, but does not include coins or currency used to purchase the advertised or promoted good, ware, merchandise or other item of tangible personal property. Moreover, accumulated points, credits or other things of value gained or earned during the playing of a promotional contest shall not be deemed to constitute either actual or implied consideration.

(2) For the purposes of this part, visiting a business location, placing or answering a telephone call, completing an entry form or furnishing a stamped, self-addressed envelope does not constitute consideration.

(3) For the purposes of this part, coupons or entry blanks obtained by purchase of a bonafide newspaper or magazine or in a program sold in conjunction with a regularly scheduled sporting event are not consideration.

Section 47-18-5205.

Any device, mechanism, furniture, fixture, construction or installation which has been designed by the manufacturer principally for use in connection with professional gambling is prohibited from use in a promotional contest in advertising.

Section 47-18-5206.

The provisions of this part shall not be construed to permit noncompliance with other provisions of the Tennessee Consumer Protection Act of 1977.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.